

HOUSE BILL No. 1108

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-2.5-10-1.5; IC 6-3-7-3.5; IC 6-3.5-6-17; IC 6-3.6; IC 6-9; IC 21-35.5.

Synopsis: Financing of improvements for Carroll Stadium. Provides that Indiana University may issue and sell bonds to acquire, erect, construct, reconstruct, improve, rehabilitate, remodel, repair, complete, extend, or enlarge capital improvements at the Michael A. Carroll Track and Soccer Stadium (stadium). Specifies that the principal costs of the bonds issued (excluding amounts necessary to provide money for debt service reserves, credit enhancement, or other costs incidental to the issuance of the bonds) may not exceed \$20,000,000. Provides that the bonds may not be issued unless: (1) the bond issuance has been reviewed by the budget committee; (2) the director of the budget agency has approved the bond issuance; and (3) a lease agreement has been entered into by Indiana University and a professional soccer team concerning the use of the stadium by the professional soccer team. Requires the department of state revenue to separately account for: (1) all state sales taxes collected at the stadium or a specific hotel located in Indianapolis; and (2) all state income tax and county option income tax (before 2017) and the county income tax from the expenditure rate (after 2016) collected on the wages, salaries, and contractual payments paid by a professional soccer team that plays the majority of its home games at the stadium and all state income tax and county option income tax (before 2017) and county income tax from the expenditure rate (after 2016) collected on the wages, salaries, and contractual payments paid by a hotel located at the southeast corner of the intersection of Illinois Street and Market Street in Indianapolis (hotel). Provides that such county income tax shall be deposited in the state general fund and not distributed to the county. Provides that if Indiana

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Effective: Upon passage; July 1, 2016.

Huston

January 7, 2016, read first time and referred to Committee on Ways and Means.



University issues the bonds, the county admissions tax in Marion County is imposed on the admissions to professional sports events at the stadium, and that such county admissions tax revenue is deposited in the state general fund. Authorizes the capital improvement board of managers to: (1) adopt a resolution to distribute innkeeper's tax revenue collected from the hotel to the treasurer of state for deposit in the state general fund; and (2) adopt a resolution to distribute food and beverage tax revenue collected from the stadium and the hotel to the treasurer of state for deposit in the state general fund; if the capital improvement board of managers determines that such tax revenue is not needed to pay obligations owed by the capital improvement board of managers and that the retention of such revenue by the state will not impair the rights and remedies of holders of any bonds or other obligations. Provides that after the office of management and budget certifies that the sum of: (1) all state sales taxes collected from transactions at the stadium or the hotel; (2) all adjusted gross income taxes and county option income taxes (before 2017) and county income taxes from the expenditure rate (after 2016) collected on the wages, salaries, and contractual payments paid by the professional soccer team or the hotel; (3) all admissions taxes imposed on admission to professional sporting events at the stadium; (4) all county food and beverage taxes collected at the stadium or the hotel that are distributed to the treasurer of state for deposit in the state general fund; and (5) all county innkeeper's taxes collected at the hotel that are distributed to the treasurer of state for deposit in the state general fund; equals the total amount of principal and interest payments to be made on the bonds issued for the capital improvements at the stadium, the county income tax from the hotel shall not be retained by the state, the admissions tax collected at the stadium shall be distributed to the capital improvement board, and the capital improvement board may not distribute county food and beverage tax and innkeeper's taxes collected at the stadium or hotel to the treasurer of state. Specifies that to the extent the costs of the capital improvements at the stadium exceed the sum of \$20,000,000 plus any amounts paid or contributed by the city of Indianapolis for those costs, the professional soccer team or the professional soccer league in which the professional soccer team competes (or both) must pay those excess costs. Appropriates \$1,500,000 from the state general fund in the state fiscal year beginning July 1, 2016, to Indiana University for fee replacement. Requires taxpayers operating at the stadium or the hotel to report to the department of state revenue the information that the department considers necessary to make the accounting for state and local taxes required by the bill.



Introduced

Second Regular Session of the 119th General Assembly (2016)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

HOUSE BILL No. 1108

A BILL FOR AN ACT to amend the Indiana Code concerning taxation and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-2.5-10-1.5 IS ADDED TO THE INDIANA
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
3 [EFFECTIVE UPON PASSAGE]: **Sec. 1.5. (a) The department shall**
4 **separately account for all state gross retail and use taxes collected**
5 **that are:**

6 **(1) attributable to retail sales made:**

7 **(A) by a professional soccer team that plays the majority**
8 **of its home games at the Michael A. Carroll Track and**
9 **Soccer Stadium (or its successor);**

10 **(B) by retail merchants while selling at the Michael A.**
11 **Carroll Track and Soccer Stadium (or its successor); or**

12 **(C) by or at a hotel that is:**

13 **(i) opened after December 31, 2015; and**

14 **(ii) located at the southeast corner of the intersection of**
15 **Illinois Street and Market Street in Indianapolis; and**



(2) deposited in the state general fund.

(b) Taxpayers operating at the Michael A. Carroll Track and Soccer Stadium (or its successor) and taxpayers operating at the hotel shall report annually, in the form and manner prescribed by the department, the information that the department considers necessary to make the accounting required by this section. Taxpayers that file on a consolidated basis shall annually file an informational return separately reporting retail sales made at the Michael A. Carroll Track and Soccer Stadium (or its successor) and at the hotel.

(c) This section expires after the office of management and budget makes a certification under IC 21-35.5-1-4.

SECTION 2. IC 6-3-7-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.5. (a) The department shall separately account for all adjusted gross income taxes collected on the wages, salaries, and contractual payments paid by:

(1) a professional soccer team that plays the majority of its home games at the Michael A. Carroll Track and Soccer Stadium (or its successor) to employees of the professional soccer team, including payments to professional athletes for professional athletic services; or

(2) a hotel that is:

(A) opened after December 31, 2015; and

(B) located at the southeast corner of the intersection of Illinois Street and Market Street in Indianapolis.

(b) Taxpayers operating at the Michael A. Carroll Track and Soccer Stadium (or its successor) and taxpayers operating at the hotel shall report annually, in the form and manner prescribed by the department, the information that the department considers necessary to make the accounting required by this section. Taxpayers that file on a consolidated basis shall annually file an informational return separately reporting the wages, salaries, and contractual payments made by a professional soccer team to employees of the professional soccer team and the wages, salaries, and contractual payments made by the hotel.

(c) This section expires after the office of management and budget makes a certification under IC 21-35.5-1-4.

SECTION 3. IC 6-3.5-6-17, AS AMENDED BY P.L.153-2014, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. (a) Except as provided in subsection (m), revenue derived from the imposition of the county option income



1 tax shall, in the manner prescribed by this section, be distributed to the
 2 county that imposed it. The amount that is to be distributed to a county
 3 during an ensuing calendar year equals the amount of county option
 4 income tax revenue that the budget agency determines has been:

5 (1) received from that county for a taxable year ending in a
 6 calendar year preceding the calendar year in which the
 7 determination is made; and

8 (2) reported on an annual return or amended return processed by
 9 the department in the state fiscal year ending before July 1 of the
 10 calendar year in which the determination is made;

11 as adjusted (as determined after review of the recommendation of the
 12 budget agency) for refunds of county option income tax made in the
 13 state fiscal year.

14 (b) Before August 2 of each calendar year, the budget agency shall
 15 provide to the county auditor of each adopting county an estimate of
 16 the amount determined under subsection (a) that will be distributed to
 17 the county, based on known tax rates. Not later than thirty (30) days
 18 after receiving the estimate of the certified distribution, the county
 19 auditor shall notify each taxing unit of the estimated amount of
 20 distributive shares and other revenue that will be distributed to the
 21 taxing unit under this chapter during the ensuing calendar year. Before
 22 October 1 of each calendar year, the budget agency shall certify to the
 23 county auditor of each adopting county the amount determined under
 24 subsection (a) plus the amount of interest in the county's account that
 25 has accrued and has not been included in a certification made in a
 26 preceding year. The amount certified is the county's "certified
 27 distribution" for the immediately succeeding calendar year. The amount
 28 certified shall be adjusted, as necessary, under subsections (c), (d), (e),
 29 and (f). Not later than thirty (30) days after receiving the notice of the
 30 amount of the certified distribution, the county auditor shall notify each
 31 taxing unit of the amount of distributive shares and other revenue that
 32 will be distributed to the taxing unit under this chapter during the
 33 ensuing calendar year. The budget agency shall provide the county
 34 council with an informative summary of the calculations used to
 35 determine the certified distribution. The summary of calculations must
 36 include:

37 (1) the amount reported on individual income tax returns
 38 processed by the department during the previous fiscal year;

39 (2) adjustments for over distributions in prior years;

40 (3) adjustments for clerical or mathematical errors in prior years;

41 (4) adjustments for tax rate changes; and

42 (5) the amount of excess account balances to be distributed under



1 IC 6-3.5-6-17.3.

2 The budget agency shall also certify information concerning the part of
3 the certified distribution that is attributable to a tax rate under section
4 30, 31, or 32 of this chapter. This information must be certified to the
5 county auditor and to the department of local government finance
6 before October 1 of each calendar year. The part of the certified
7 distribution that is attributable to a tax rate under section 30, 31, or 32
8 of this chapter may be used only as specified in those provisions.

9 (c) The budget agency shall certify an amount less than the amount
10 determined under subsection (b) if the budget agency determines that
11 the reduced distribution is necessary to offset overpayments made in a
12 calendar year before the calendar year of the distribution. The budget
13 agency may reduce the amount of the certified distribution over several
14 calendar years so that any overpayments are offset over several years
15 rather than in one (1) lump sum.

16 (d) The budget agency shall adjust the certified distribution of a
17 county to correct for any clerical or mathematical errors made in any
18 previous certification under this section. The budget agency may
19 reduce the amount of the certified distribution over several calendar
20 years so that any adjustment under this subsection is offset over several
21 years rather than in one (1) lump sum.

22 (e) This subsection applies to a county that imposes, increases,
23 decreases, or rescinds a tax or tax rate under this chapter before
24 November 1 in the same calendar year in which the budget agency
25 makes a certification under this section. The budget agency shall adjust
26 the certified distribution of a county to provide for a distribution in the
27 immediately following calendar year and in each calendar year
28 thereafter. The budget agency shall provide for a full transition to
29 certification of distributions as provided in subsection (a)(1) through
30 (a)(2) in the manner provided in subsection (c). If the county imposes,
31 increases, decreases, or rescinds a tax or tax rate under this chapter
32 after the date for which a certification under subsection (b) is based, the
33 budget agency shall adjust the certified distribution of the county after
34 September 30 of the calendar year. The adjustment shall reflect any
35 other adjustment required under subsections (c), (d), and (f). The
36 adjusted certification shall be treated as the county's "certified
37 distribution" for the immediately succeeding calendar year. The budget
38 agency shall certify the adjusted certified distribution to the county
39 auditor for the county and provide the county council with an
40 informative summary of the calculations that revises the informative
41 summary provided in subsection (b) and reflects the changes made in
42 the adjustment.



(f) This subsection applies in the year a county initially imposes a tax rate under section 30 of this chapter. Notwithstanding any other provision, the budget agency shall adjust the part of the county's certified distribution that is attributable to the tax rate under section 30 of this chapter to provide for a distribution in the immediately following calendar year equal to the result of:

(1) the sum of the amounts determined under STEP ONE through STEP FOUR of IC 6-3.5-1.5-1(b) in the year in which the county initially imposes a tax rate under section 30 of this chapter; multiplied by

(2) the following:

(A) In a county containing a consolidated city, one and five-tenths (1.5).

(B) In a county other than a county containing a consolidated city, two (2).

(g) One-twelfth (1/12) of each adopting county's certified distribution for a calendar year shall be distributed from its account established under section 16 of this chapter to the appropriate county treasurer on the first regular business day of each month of that calendar year.

(h) Upon receipt, each monthly payment of a county's certified distribution shall be allocated among, distributed to, and used by the civil taxing units of the county as provided in sections 18 and 19 of this chapter.

(i) All distributions from an account established under section 16 of this chapter shall be made by warrants issued by the auditor of state to the treasurer of state ordering the appropriate payments.

(j) The budget agency shall before May 1 of every odd-numbered year publish an estimate of the statewide total amount of certified distributions to be made under this chapter during the following two (2) calendar years.

(k) The budget agency shall before May 1 of every even-numbered year publish an estimate of the statewide total amount of certified distributions to be made under this chapter during the following calendar year.

(l) The estimates under subsections (j) and (k) must specify the amount of the estimated certified distributions that are attributable to the additional rate authorized under section 30 of this chapter, the additional rate authorized under section 31 of this chapter, the additional rate authorized under section 32 of this chapter, and any other additional rates authorized under this chapter.

(m) The revenue derived from the imposition of the county



option income tax collected on the wages, salaries, and contractual payments paid by:

(1) a professional soccer team that plays the majority of its home games at the Michael A. Carroll Track and Soccer Stadium (or its successor) to employees of the professional soccer team, including payments to professional athletes for professional athletic services; or

(2) a hotel that is:

(A) opened after December 31, 2015; and

(B) located at the southeast corner of the intersection of Illinois Street and Market Street in Indianapolis;

shall be deposited in the state general fund and shall not be distributed to the county. The department shall separately account for the county option income taxes deposited in the state general fund under this subsection. Taxpayers operating at the Michael A. Carroll Track and Soccer Stadium (or its successor) and taxpayers operating at the hotel shall report annually, in the form and manner prescribed by the department, the information that the department considers necessary to make the accounting required by this subsection. Taxpayers that file on a consolidated basis shall annually file an informational return separately reporting the wages, salaries, and contractual payments made by a professional soccer team to employees of the professional soccer team and the wages, salaries, and contractual payments made by the hotel. This subsection expires after the office of management and budget makes a certification under IC 21-35.5-1-4.

SECTION 4. IC 6-3.6-6-3, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 3. **Except as provided in IC 6-3.6-9-4(b)**, revenue raised from a tax imposed under this chapter shall be treated as follows:

(1) To make distributions to school corporations and civil taxing units in counties that formerly imposed a tax under IC 6-3.5-1.1. The revenue categorized from the first twenty-five hundredths percent (0.25%) of the rate for a former tax adopted under IC 6-3.5-1.1 shall be allocated to school corporations and civil taxing units. The amount of the allocation to a school corporation or civil taxing unit shall be determined using the allocation amounts for civil taxing units and school corporations in the determination.

(2) The remaining revenue shall be treated as additional revenue (referred to as "additional revenue" in this chapter). Additional



revenue may not be considered by the department of local government finance in determining:

(A) any taxing unit's maximum permissible property tax levy limit under IC 6-1.1-18.5; or

(B) the approved property tax rate for any fund.

SECTION 5. IC 6-3.6-9-4, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 4. **(a) Except as provided in subsection (b),** revenue derived from the imposition of the tax shall, in the manner prescribed by this chapter, be distributed to the county that imposed it. The amount that is to be distributed to a county during an ensuing calendar year equals the amount of tax revenue that the budget agency determines has been:

(1) received from that county for a taxable year ending in a calendar year preceding the calendar year in which the determination is made; and

(2) reported on an annual return or amended return processed by the department in the state fiscal year ending before July 1 of the calendar year in which the determination is made;

as adjusted for refunds of tax made in the state fiscal year.

(b) The revenue that is derived from the imposition of the expenditure rate imposed in Marion County under IC 6-3.6-6 and collected on the wages, salaries, and contractual payments paid by:

(1) a professional soccer team that plays the majority of its home games at the Michael A. Carroll Track and Soccer Stadium (or its successor) to employees of the professional soccer team, including payments to professional athletes for professional athletic services; or

(2) a hotel that is:

(A) opened after December 31, 2015; and

(B) located at the southeast corner of the intersection of Illinois Street and Market Street in Indianapolis;

shall be deposited in the state general fund and shall not be distributed to the county. The department shall separately account for the local income taxes deposited in the state general fund under this subsection. Taxpayers operating at the Michael A. Carroll Track and Soccer Stadium (or its successor) and taxpayers operating at the hotel shall report annually, in the form and manner prescribed by the department, the information that the department considers necessary to make the accounting required by this subsection. Taxpayers that file on a consolidated basis shall annually file an informational return separately reporting the



wages, salaries, and contractual payments made by a professional soccer team to employees of the professional soccer team and the wages, salaries, and contractual payments made by the hotel. This subsection expires after the office of management and budget makes a certification under IC 21-35.5-1-4.

SECTION 6. IC 6-9-8-5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) Subject to subsection (b), the capital improvement board of managers may adopt a resolution to distribute to the treasurer of state all or part of the tax collected under this chapter at a hotel that is:

(1) opened after December 31, 2015; and

(2) located at the southeast corner of the intersection of Illinois Street and Market Street in Indianapolis;

if the capital improvement board of managers determines that such tax is not needed to pay obligations owed by the capital improvement board of managers and that the distribution of such tax to the treasurer of state will not impair the rights and remedies of holders of any bonds or other obligations. All tax distributed to the treasurer of state under this subsection shall be deposited in the state general fund.

(b) After the office of management and budget has made a certification under IC 21-35.5-1-4, the capital improvement board of managers may not distribute county innkeeper's tax to the treasurer of state under subsection (a).

SECTION 7. IC 6-9-12-8, AS AMENDED BY P.L.214-2005, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) The amounts received from the county food and beverage tax shall be paid monthly by the treasurer of the state to the treasurer of the capital improvement board of managers of the county or its designee upon warrants issued by the auditor of state. **Except as provided in subsection (b)**, so long as there are any current or future obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority created by IC 5-1-17 or any state agency pursuant to a lease or other agreement entered into between the capital improvement board of managers and the Indiana stadium and convention building authority or any state agency under IC 5-1-17-26, the capital improvement board of managers or its designee shall deposit the revenues received from that portion of the county food and beverage tax imposed under:

(1) section 5(a) of this chapter for revenue received after December 31, 2027; and



(2) section 5(b) of this chapter;
in a special fund, which may be used only for the payment of the obligations described in this section.

(b) Subject to subsection (c), the capital improvement board of managers may adopt a resolution to distribute to the treasurer of state all or part of the county food and beverage tax collected at:

(1) the Michael A. Carroll Track and Soccer Stadium (or its successor); or

(2) a hotel that is:

(A) opened after December 31, 2015; and

(B) located at the southeast corner of the intersection of Illinois Street and Market Street in Indianapolis;

if the capital improvement board of managers determines that such county food and beverage tax is not needed to pay obligations owed by the capital improvement board of managers and that the distribution of such county food and beverage tax to the treasurer of state will not impair the rights and remedies of holders of any bonds or other obligations. All county food and beverage tax distributed to the treasurer of state under this subsection shall be deposited in the state general fund.

(c) After the office of management and budget has made a certification under IC 21-35.5-1-4, the capital improvement board of managers may not distribute county food and beverage tax to the treasurer of state under subsection (b).

SECTION 8. IC 6-9-13-1, AS AMENDED BY P.L.214-2005, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) Except as provided in ~~subsection~~ **subsections (b) and (c)**, the city-county council of a county that contains a consolidated first class city may adopt an ordinance to impose an excise tax, known as the county admissions tax, for the privilege of attending, before January 1, 2041, any event and, after December 31, 2040, any professional sporting event:

(1) held in a facility financed in whole or in part by:

(A) bonds or notes issued under IC 18-4-17 (before its repeal on September 1, 1981), IC 36-10-9, or IC 36-10-9.1; or

(B) a lease or other agreement under IC 5-1-17; and

(2) to which tickets are offered for sale to the public by:

(A) the box office of the facility; or

(B) an authorized agent of the facility.

(b) Except as provided in subsections (a) and (c), if bonds have been issued under IC 21-35.5, the county admissions tax under this chapter is also imposed on the privilege of attending professional



1 sporting events at the Michael A. Carroll Track and Soccer
 2 Stadium (or its successor). The county admissions tax under this
 3 subsection applies to transactions after the last day of the month in
 4 which the trustees of Indiana University have made a certification
 5 under IC 21-35.5-1-3, if the date of issuance of the bonds as
 6 certified to the Marion County city-county council and the
 7 department of state revenue is on or before the fifteenth day of a
 8 month. If the date of issuance of the bonds as certified to the
 9 Marion County city-county council and the department of state
 10 revenue is after the fifteenth day of a month, the tax applies to
 11 transactions after the last day of the month following the month in
 12 which the trustees of Indiana University make the certification
 13 under IC 21-35.5-1-3.

14 ~~(b)~~ (c) The excise tax imposed under ~~subsection~~ subsections (a)
 15 and (b) does not apply to the following:

- 16 (1) An event sponsored by an educational institution or an
- 17 association representing an educational institution.
- 18 (2) An event sponsored by a religious organization.
- 19 (3) An event sponsored by an organization that is considered a
- 20 charitable organization by the Internal Revenue Service for
- 21 federal tax purposes.
- 22 (4) An event sponsored by a political organization.

23 ~~(c)~~ (d) If a city-county council adopts an ordinance under subsection
 24 (a) or (b), it shall immediately send a certified copy of the ordinance
 25 to the commissioner of the department of state revenue.

26 ~~(d)~~ (e) If a city-county council adopts an ordinance under subsection
 27 (a) or section 2 of this chapter prior to June 1, the county admissions
 28 tax applies to admission charges collected after June 30 of the year in
 29 which the ordinance is adopted. If the city-county council adopts an
 30 ordinance under subsection (a) or section 2 of this chapter on or after
 31 June 1, the county admissions tax applies to admission charges
 32 collected after the last day of the month in which the ordinance is
 33 adopted.

34 SECTION 9. IC 6-9-13-2, AS AMENDED BY P.L.205-2013,
 35 SECTION 132, IS AMENDED TO READ AS FOLLOWS
 36 [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Except as provided in
 37 subsection (b), the county admissions tax equals five percent (5%) of
 38 the price for admission to any event described in section 1 of this
 39 chapter.

40 (b) On or before June 30, 2005, the city-county council may, by
 41 ordinance adopted by a majority of the members elected to the
 42 city-county council, increase the county admissions tax from five



1 percent (5%) to six percent (6%) of the price for admission to any event
2 described in section 1 of this chapter.

3 (c) After January 1, 2013, and before March 1, 2013, the city-county
4 council may, by ordinance adopted by a majority of the members
5 elected to the city-county council, increase the county admissions tax
6 rate by not more than four percent (4%) of the price for admission to
7 any event described in section 1 of this chapter. If the city-county
8 council adopts an ordinance under this subsection:

9 (1) the city-county council shall immediately send a certified copy
10 of the ordinance to the commissioner of the department of state
11 revenue; and

12 (2) the tax applies to transactions after the last day of the month
13 in which the ordinance is adopted, if the city-county council
14 adopts the ordinance on or before the fifteenth day of a month. If
15 the city-county council adopts the ordinance after the fifteenth
16 day of a month, the tax applies to transactions after the last day of
17 the month following the month in which the ordinance is adopted.

18 The increase in the tax imposed under this subsection continues in
19 effect unless the increase is rescinded. However, any increase in the tax
20 rate under this subsection may not continue in effect after February 28,
21 2023.

22 (d) The amount collected from that portion of the county admissions
23 tax imposed under:

24 (1) subsection (a) and collected after December 31, 2027; and

25 (2) subsection (b);

26 shall be distributed to the capital improvement board of managers or its
27 designee. So long as there are any current or future obligations owed
28 by the capital improvement board of managers to the Indiana stadium
29 and convention building authority created by IC 5-1-17 or any state
30 agency pursuant to a lease or other agreement entered into between the
31 capital improvement board of managers and the Indiana stadium and
32 convention building authority or any state agency under IC 5-1-17-26,
33 the capital improvement board of managers or its designee shall deposit
34 the revenues received from that portion of the county admissions tax
35 imposed under subsection (b) in a special fund, which may be used
36 only for the payment of the obligations described in this subsection.

37 (e) The amount collected from an increase adopted under subsection
38 (c) shall be deposited in the sports and convention facilities operating
39 fund established by IC 36-7-31-16.

40 **(f) If the county admissions tax is imposed under section 1(b) of**
41 **this chapter on the privilege of attending professional sporting**
42 **events at the Michael A. Carroll Track and Soccer Stadium (or its**



successor), the county admissions tax equals ten percent (10%) of the price for admission to such an event. The following apply notwithstanding section 5 of this chapter:

(1) Except as provided in subdivision (2), the amount collected from the county admissions tax imposed under section 1(b) of this chapter shall be deposited in the state general fund and shall not be distributed to the capital improvement board of managers. The department of state revenue shall separately account for the amounts collected from the county admissions tax imposed under section 1(b) of this chapter and deposited in the state general fund.

(2) Subject to subdivision (3), after the office of management and budget makes a certification under IC 21-35.5-1-4, the amount collected from the county admissions tax imposed under section 1(b) of this chapter shall be distributed as provided in section 5 of this chapter.

(3) The county admissions tax imposed under section 1(b) of this chapter expires at the end of the year in which the office of management and budget makes a certification under IC 21-35.5-1-4, unless the city-county council adopts an ordinance to continue the county admissions tax imposed under section 1(b) of this chapter.

SECTION 10. IC 21-35.5 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

ARTICLE 35.5. ISSUANCE OF BONDS FOR CERTAIN CAPITAL IMPROVEMENTS

Chapter 1. Issuance of Bonds

Sec. 1. (a) Subject to the requirements of this chapter, the trustees of Indiana University may issue and sell bonds to acquire, erect, construct, reconstruct, improve, rehabilitate, remodel, repair, complete, extend, or enlarge capital improvements at the Michael A. Carroll Track and Soccer Stadium (or its successor) to facilitate the holding of professional, collegiate, high school, or amateur sporting events.

(b) The sum of the principal costs of any bonds issued under this section, excluding amounts necessary to provide money for debt service reserves, credit enhancement, or other costs incidental to the issuance of the bonds, may not exceed twenty million dollars (\$20,000,000).

Sec. 2. The trustees of Indiana University may not issue bonds under this chapter unless all of the following requirements are



1 satisfied:

2 (1) The bond issuance has been reviewed by the budget
3 committee.

4 (2) The director of the budget agency has approved the bond
5 issuance.

6 (3) A lease agreement for at least twenty (20) years has been
7 entered into by Indiana University and a professional soccer
8 team concerning the use of the Michael A. Carroll Track and
9 Soccer Stadium (or its successor) by the professional soccer
10 team. However, the lease agreement may contain a buy-out
11 provision that allows the professional soccer team to
12 terminate the lease agreement upon the payment of
13 consideration as specified in the lease agreement.

14 Sec. 3. If bonds are issued under this chapter, the trustees of
15 Indiana University shall certify the date of the issuance to the
16 budget committee, the budget agency, the trustees of Indiana
17 University, the department of state revenue, and the Marion
18 County city-county council.

19 Sec. 4. If the office of management and budget determines that
20 the sum of:

21 (1) all state gross retail and use taxes accounted for under
22 IC 6-2.5-10-1.5;

23 (2) all adjusted gross income taxes accounted for under
24 IC 6-3-7-3.5;

25 (3) all county option income tax deposited in the state general
26 fund under IC 6-3.5-6-17(m) and all local income tax
27 deposited in the state general fund under IC 6-3.6-9-4(b);

28 (4) all county innkeeper's taxes that are:

29 (A) imposed under IC 6-9-8;

30 (B) distributed by the capital improvement board of
31 managers to the treasurer of state; and

32 (C) deposited in the state general fund under IC 6-9-8-5(a);

33 (5) all county food and beverage taxes that are:

34 (A) imposed under IC 6-9-12;

35 (B) distributed by the capital improvement board of
36 managers to the treasurer of state; and

37 (C) deposited in the state general fund under
38 IC 6-9-12-8(b); and

39 (6) all county admissions taxes that are:

40 (A) imposed under IC 6-9-13-1(b); and

41 (B) deposited in the state general fund;

42 equals the total amount of principal and interest payments to be



1 made on the bonds issued under this section, the office of
 2 management and budget shall certify that determination to the
 3 budget committee, the budget agency, the trustees of Indiana
 4 University, the department of state revenue, and the Marion
 5 County city-county council.

6 **Sec. 5.** Before October 1 of each year, the department of state
 7 revenue shall certify to the budget committee, the budget agency,
 8 the trustees of Indiana University, and the Marion County
 9 city-county council the amounts deposited in the state general fund
 10 under section 4 of this chapter.

11 **Sec. 6.** To the extent that the costs of acquiring, erecting,
 12 constructing, reconstructing, improving, rehabilitating,
 13 remodeling, repairing, completing, extending, or enlarging capital
 14 improvements at the Michael A. Carroll Track and Soccer Stadium
 15 (or its successor) exceed the sum of:

16 (1) twenty million dollars (\$20,000,000); plus

17 (2) any amounts paid or contributed by the city of
 18 Indianapolis for those purposes;

19 the professional soccer team or the professional soccer league in
 20 which the professional soccer team competes (or both) shall pay
 21 those excess costs.

22 **SECTION 11.** [EFFECTIVE JULY 1, 2016] (a) There is
 23 appropriated from the state general fund to Indiana University one
 24 million five hundred thousand dollars (\$1,500,000) for fee
 25 replacement for the state fiscal year beginning July 1, 2016, and
 26 ending June 30, 2017.

27 (b) This SECTION expires June 30, 2017.

28 **SECTION 12.** An emergency is declared for this act.

